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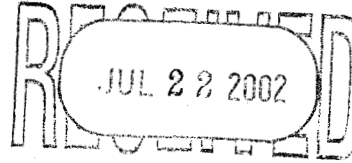
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July 19, 2002

Arizona Corporation Commission  
Utilities Division  
1200 West Washington Street  
Phoenix, AZ 85007

AZ CORP COMMISSION  
DOCUMENT CONTROLARIZONA CORPORATION  
COMMISSION

Director of Utilities

**RE: OLS, Inc.**  
**Docket No: T-03651A-98-0633**  
**Decision No: 63304, dated 01/11/01**

Dear Sirs or Madam:

As per my conversation on July 17, 2002 with Pat Williams, I am forwarding the original and 10 copies of the Balance Sheet and Profit & Loss Statement for the Period ending 12/31/01 for OLS, Inc. This FVRB information represents the total revenue and operating expense for the twelve months of telecommunications service provided OLS's Arizona customers.

If you have any questions or comments, please feel free to contact me at 770-569-9988 or by e-mail at [shelley@olscomm.com](mailto:shelley@olscomm.com)

Sincerely,

Michele C. Jones  
Accounting

Arizona Corporation Commission  
**DOCKETED**

JUL 22 2002

DOCKETED BY

OLS, Inc.  
1030 Cambridge Square, Suite E  
Alpharetta, GA 30004

Phone: 770 569-9988  
FAX: 770 569-9021  
[ols@olscomm.com](mailto:ols@olscomm.com)

**OLS, Inc.**  
**Balance Sheet**  
As of December 31, 2001

	<u>Dec 31, 01</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
Money Market Acct	119.97
Operating - Checking	(3,643.56)
Payroll	(0.55)
Petty Cash	16.35
Refund/LOA Checking	7.58
Regions Banks	418.37
<b>Total Checking/Savings</b>	<u>(3,081.84)</u>
<b>Accounts Receivable</b>	
Accounts Receivable	
INTEG-A/R	1,770.54
USB12 - A/R	2,862.96
ZPDI-A/R	3,967.69
<b>Total Accounts Receivable</b>	<u>8,601.19</u>
<b>Total Accounts Receivable</b>	8,601.19
<b>Other Current Assets</b>	
Advances	0.33
Deposits	28.19
<b>Total Other Current Assets</b>	<u>28.52</u>
<b>Total Current Assets</b>	5,547.86
<b>Fixed Assets</b>	
Accumulated Depreciation	(3,015.77)
Building	1,066.44
Equipment	8,226.49
Furniture and Fixtures	792.20
Land	23.27
Leasehold Improvements	1,031.72
<b>Total Fixed Assets</b>	<u>8,124.37</u>
<b>TOTAL ASSETS</b>	<u><u>13,672.23</u></u>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
Accounts Payable	
Accounts Payable	987.42
Sales Tax Payable	704.22
<b>Total Accounts Payable</b>	<u>1,691.64</u>
<b>Other Current Liabilities</b>	
Group Health Insurance	54.30
Loan - AE	0.93
Payroll Liabilities	83.13
Peoples Financial Corp. - STN	<u>1.92</u>

**OLS, Inc.**  
**Balance Sheet**  
As of December 31, 2001

<b>Total Other Current Liabilities</b>	<u>140.28</u>
<b>Total Current Liabilities</b>	1,831.92
<b>Long Term Liabilities</b>	
<b>SunTrust Bank</b>	<u>581.56</u>
<b>Total Long Term Liabilities</b>	<u>581.56</u>
<b>Total Liabilities</b>	2,413.47
<b>Equity</b>	
<b>Capital Stock</b>	115.71
<b>Retained Earnings</b>	5,728.39
<b>Net Income</b>	<u>5,414.65</u>
<b>Total Equity</b>	<u>11,258.76</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<u><u>13,672.23</u></u>

**OLS, Inc.**  
**Profit Loss**  
January through December 2001

	<u>Jan - Dec 01</u>
<b>Ordinary Income/Expense</b>	
Income	
Credits	
Direct Credits	(788.14)
USBI Credits	(10.33)
Credits - Other	0.22
Total Credits	<u>(798.26)</u>
Sales Revenue	
LD Revenue	64,408.76
Service Fees	8,965.33
USF Charges	2,598.54
Total Sales Revenue	<u>75,972.63</u>
Usage Revenue	<u>2,045.56</u>
Total Income	<u>77,219.93</u>
Cost of Goods Sold	
Advertising - Long Distance	5,278.91
Bonus	803.97
Contract Labor	7.02
LOA cost	
Norcross LOA cost	8,069.49
LOA cost - Other	2,730.27
Total LOA cost	<u>10,799.76</u>
Overtime Wages	236.21
Postage	85.87
Regular Wages	8,297.08
Spiffs	351.99
Supervisor Salary	94.60
Training Wages	8.07
Usage Charges	18,927.21
Vacation Expense	130.15
Verification Expense	3,633.37
Total COGS	<u>48,654.23</u>
Gross Profit	28,565.71
Expense	
Automobile Expense	
Vehicle Fuel	57.12
Vehicle Insurance	3.55
Vehicle Lease	43.91
Total Automobile Expense	<u>104.59</u>
Bad debt Expense	
Bad Debt Exp - ZPDI	(13,621.93)
Bad Debt Expense - INTEG	2,232.22
Bad debt Expense - USBI2	243.23

**OLS, Inc.**  
**Profit Loss**

January through December 2001

Unbillable - INTEG	1,536.07
Unbillable - USBI2	1,066.80
Unbillable - ZPDI	137.47
Total Bad debt Expense	<u>(8,406.14)</u>
Bank Service Charges	18.93
Billing & Collection Fees	
Bill Fees - USBI2	54.33
Billing - FTT	2,225.32
IGT Fees	1,415.53
LEC Fees - USBI2	95.27
Telco Fees	3,224.90
Billing & Collection Fees - Other	16.60
Total Billing & Collection Fees	<u>7,031.95</u>
Conference Expense	69.33
Depreciation Expense	1,667.98
Dues and Subscriptions	48.06
Equipment Rental	546.92
Inquiry Fees	
Inquiry Fees - INTEG	971.85
Inquiry Fees - USBI2	0.04
Inquiry Fees - Other	3.40
Total Inquiry Fees	<u>975.28</u>
Insurance	
Disability	41.93
Health	899.64
Liability	10.29
Work Comp	82.58
Insurance - Other	16.67
Total Insurance	<u>1,051.10</u>
Interest Expense	
Finance Charge	0.38
Interest Expense - INTEG	908.48
Suntrust Interest Expense	61.21
Interest Expense - Other	9.08
Total Interest Expense	<u>979.14</u>
Licenses and Permits	
Filing Fees	106.12
Penalties - Filing	209.27
Licenses and Permits - Other	10.42
Total Licenses and Permits	<u>325.81</u>
Office Supplies	607.97
Payroll Taxes Expense	1,417.47
Postage and Delivery	392.68
Printing and Reproduction	1,060.48
Professional Fees	

**OLS, Inc.**  
**Profit Loss**

January through December 2001

Accounting	42.91
Consulting Services	159.69
Legal Fees	1,209.17
Professional Development	166.66
Programming Fees	209.22
Professional Fees - Other	1.19
<b>Total Professional Fees</b>	<b>1,788.85</b>
Recruiting	20.97
Rent	1,442.31
Rent- Athens	286.09
Repairs and Maintenance	
Building Repairs	0.71
Equipment Repairs	103.56
Janitorial Exp	111.30
Security System	31.02
Repairs and Maintenance - Other	25.95
<b>Total Repairs and Maintenance</b>	<b>272.54</b>
Salaries and Wages	
Admin Salaries and Wages	7,378.85
Officer's Salary	2,344.82
<b>Total Salaries and Wages</b>	<b>9,723.66</b>
Taxes	
Excise Tax	20.21
Federal	439.04
Franchise	85.25
Property	3.63
State	78.70
USF	7.13
Taxes - Other	2.94
<b>Total Taxes</b>	<b>636.90</b>
Telephone	874.41
Temporary Help	7.64
Travel & Ent	
Travel and Lodging	35.40
Travel & Ent - Other	56.23
<b>Total Travel &amp; Ent</b>	<b>91.63</b>
Utilities	126.43
<b>Total Expense</b>	<b>23,162.99</b>
<b>Net Ordinary Income</b>	<b>5,402.72</b>
Other Income/Expense	
Other Income	
Interest Income	11.93
<b>Total Other Income</b>	<b>11.93</b>

**OLS, Inc.**  
**Profit Loss**  
January through December 2001

Net Other Income	<u>11.93</u>
Net Income	<u><u>5,414.65</u></u>